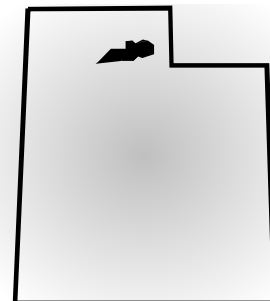


County Trends

December 2002

Weber



A Local Economic Perspective

Unemployment Holding but No Job Growth

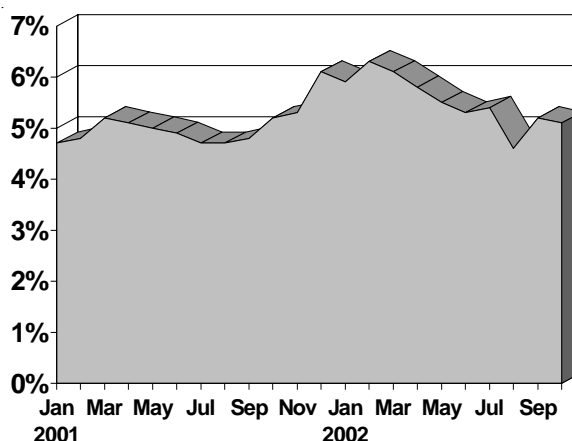
This headline is not great news for Weber County's economic scene. Fortunately, the unemployment rate has been slowly declining since the first part of 2002. Year-over though, the rates have increased. Job growth is still down from last year. Construction valuations are also sliding a little with fewer dollars permitted than in 2001. Year-over sales have just held their own with no big reduction from the first half of 2001.

Still Experiencing Job Losses

Since the first quarter of 2002, the unemployment rate has been gradually drifting down, from a high of 6.3 percent in February to the roughly 5 percent level in October. Employment growth, when viewed as a monthly year-over figure, has been negative for each of the last 22 of 23 months, not a good sign. Only in January of 2002 did the year-over employment change cross to the "plus" side. The bright side, at least from February through June, is that negative employment growth rates are getting smaller (see Chart on page 2).

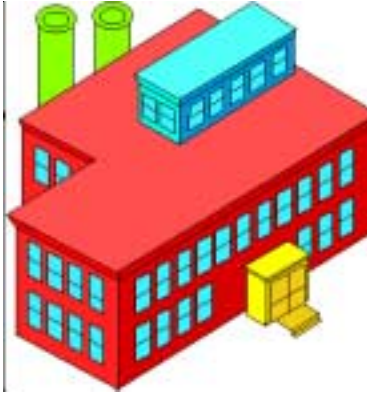
Job losses were about 1 percent in each of the first two quarters of 2002. The losses were not evenly distributed across all industries.

Seasonally Adjusted Weber County Unemployment Rates

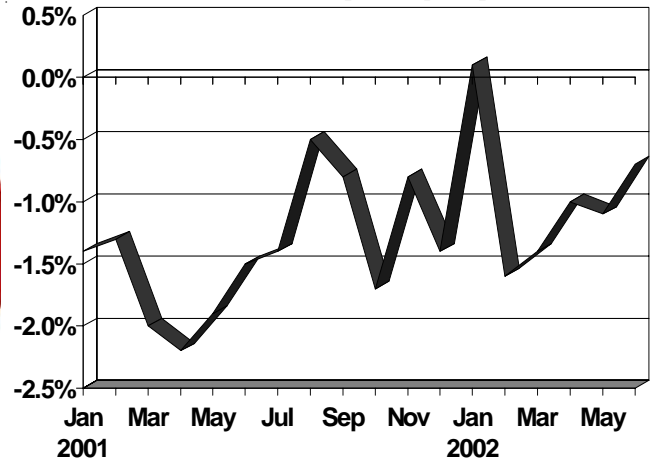


Source: Utah Department of Workforce Services.





Year-Over Change in Weber County Employment



Source: Utah Department of Workforce Services.

To the Point

Weber County's economy continues to feel the effects of the recession with its impact holding back job creation. The unemployment rate is around the 5 percent mark, which is a positive sign. All we need now is infusion of demand to stimulate the market.

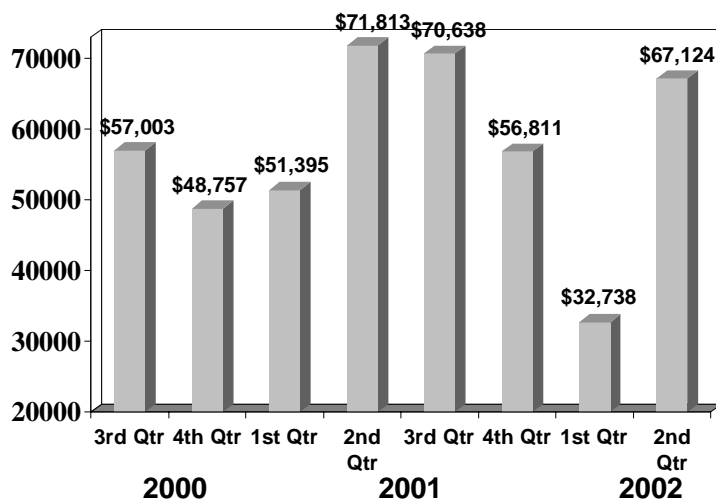
The net drop in employment between second quarter of 2001 and 2002 was about 830. That's not good, but remember it's a "net" amount. The good-producing industries actually lost about 1,550 jobs, or twice the net amount. Virtually all of that decline occurred in manufacturing. Construction lost 120 jobs. Partially offsetting the big loss in manufacturing was an additional 720 jobs in the service-producing industries.

Those industries gaining positions in the service-producing group were finance (190), health care (510), and federal government (670) and local government (250). Others in this group suffered the same fate as manufacturing with year-over losses. They include retail trade (-380), transportation and warehousing (-210), and business services (-150).

Construction - Valuations Down in both First and Second Quarters of 2002

Construction activity was off in both the first and second quarters of 2002. Most significant was first quarter, where 36 percent fewer dollars were permitted for construction than in 2001. In dollar terms, this means \$51 million compared to \$33 million in valuation. Second quarter was down only 6 percent from the second quarter of 2001. Two-thirds of all construction valuations were for residential building. The last

Total Weber County Approved Construction Values (in 000s)



Source: Utah Bureau of Economic & Business Research.



time Weber County experienced positive construction valuation was in the third and fourth quarters of 2001 when year-over changes were about 20 percent. A positive turn in the national economy and its subsequent effects on local markets will be needed to stimulate significant activity in the construction sector.

Sales Just About Even with the First Half of Last Year

Sales remained about the same from the first and second quarters of 2001 and 2002. First quarter was up a tiny 0.3 percent and sales actually went down in the second quarter, but only by 0.7 of a percent. Roughly two-thirds of all sales are in retail trade. This amounts (during second quarter of 2002) to \$400 million of the \$620 million total in retail trade. The only sector in retail showing a loss in sales was food stores, which was down 8 percent. Interesting to note is that while food store sales dipped, sales in restaurants were up by over 12 percent.

John Mathews, Regional Economist
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Quick Facts

October 2002

Unemployment Rate

Weber County	5.1%
Utah	5.1%
U.S.	5.7%

June 2002 Change from Previous Year

Job Growth

Weber County	-0.7%
Utah	-1.3%
U.S.	-1.1%

2nd Qtr 2002 Change from Previous Year

Construction Values

Weber County	-6.5%
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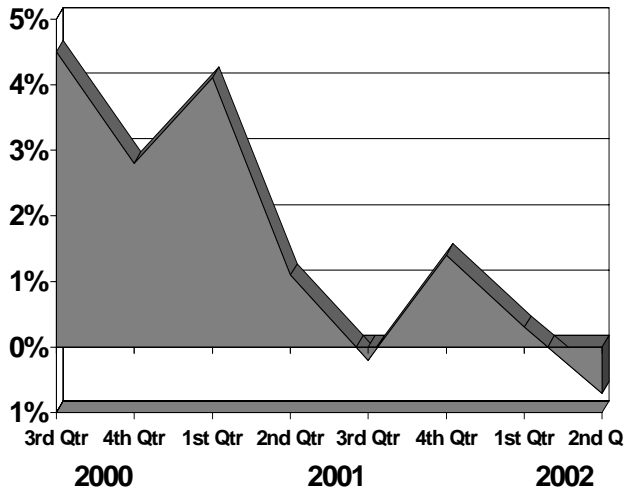
Sales

Weber County	-0.7%
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Source: Utah Dept of Workforce Services,
 Bureau of Labor Statistics,
 Utah Tax Commission,
 Bureau of Econ & Business Research.

For more economic information about Weber County see:
<http://jobs.utah.gov/wi/Regions/northern/weber/weber2.asp>

Year-Over Change in Weber County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- Autoliv Inc. announced plans to make cuts in its North American operations but the Ogden and Promontory plants will be spared.
- Plans to turn Powder Mountain Ski Resort into a village of luxury homes, shops, hotels and golf courses are officially on ice. Developer Brent Ferrin failed to buy the resort on time.
- The Ben Lomond Historic Suite Hotel has closed due to a sluggish economy.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/north-ern/weber/weberee.pdf>



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Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128



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